



Montana Economic Developers Association

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January 23, 2007

Rep. John Sinrud, Chair
House Appropriations Committee
State Capitol
PO Box 200400
Helena, MT 59620-0400

Re: HB223 Regional Rural Value-Added Ag Programs; Appropriation for Regional Centers

Dear Chairman Sinrud:

The Montana Economic Developers Association (MEDA) represents over 200 professionals who work for local economic development organizations across the State of Montana. At our fall conference held in Havre, we finalized our agenda for the current legislative session. One of the highest priorities to our membership is the support and expansion of regional value-added agricultural centers across the state.

MEDA's membership so strongly supports the Montana Ag Innovation Center program because of its proven results from all five of the existing centers. These centers provided Montana's agricultural producers with much-needed technical assistance in developing added-value business ventures through help with market analyses, business plan development, capitalization strategies, grant writing and administration, project coordination and access to resources through Montana's economic development community.

The funding that was invested in the regional centers has resulted in the following successes:

- More than 60 projects were identified and assisted in initial business planning and development
- Over 1.2 million dollars of project dollars were secured for project development activities by producers
- Producers were assisted in securing over \$610,000 in direct funding for on-the-ground value-added agriculture projects from various state and federal government programs (funding that, more often than not, would not have been pursued or obtained without the direct involvement of the professional Value Added Agriculture Coordinators).
- Private sector match for these funds, on a one-one basis, provided an additional \$610,000
- Other value-added projects obtained an additional \$1,400,000 capital through loans and investment for working capital and equipment

This bill establishes the vehicle to deliver technical assistance in developing businesses that add value to Montana agriculture to be delivered through the existing network (plus adding two more centers) and we strongly encourage your support.

Sincerely,

Rick Edwards, President

Cc: MEDA Board of Directors

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